

# EXHIBIT 2



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**VIA ELECTRONIC MAIL**

March 16, 2020

Office of the Arizona Attorney General  
Consumer Information and Complaints  
Consumerinfo@AZAG.gov

**Re: File No. 20-002122**  
**Consumer: NATALIA GRABOVSKY**

Dear Office of Consumer Information and Complaints:

I am Legal Counsel for EF Educational Tours (“EF”), and I write in response to your letter dated March 5, 2020, after a thorough investigation into the consumer complaint referenced above filed by Natalia Grabovsky.

EF offers all-inclusive international educational tour programs primarily to groups of middle school and high school age students who are looking for an affordable way to experience international travel. In order to provide the best possible traveler experience at the lowest cost, EF uses a group travel model. Each group is led by a Group Leader, typically the students’ teacher, and groups are combined to fill a tour bus so that all travelers help cover the costs of the tour bus, the tour director, local guides, and other tour costs.

When the Grabbovsky family enrolled their child on an EF tour on August 23, 2019, they agreed to EF’s “Booking Conditions” as part of the online enrollment, a copy of which is available at <https://www.eftours.com/help-center/policies/booking-conditions>. EF’s Booking Conditions set forth important information about the purchased tour, including how EF’s group travel model works (pp. 14; 19); EF’s Standard Cancellation Policy in the event an enrolled traveler needs to cancel (pp. 18); EF’s Peace of Mind Program that is available when certain unforeseen circumstances arise (pp. 18); the terms and conditions of the Global Travel Protection plan that a traveler has the option to purchase from a third party licensed insurance producer (pp. 15); and the Release & Agreement that travelers agree to upon enrollment (pp. 19).

Under EF’s group travel model, travelers make the decision to enroll on a tour led and supervised by their Group Leader. By agreeing to the Booking Conditions, travelers acknowledge that they “have made the choice to travel with the teacher/Group Leader organizing [their] group...[and that they] understand that this choice is not the responsibility of EF.” Given the Group Leader’s role in organizing the tour and supervising the travelers, students also agree that “my Group Leader is able to make decision on my behalf, including but not limited to changing the group’s requested tour or travel date....”

In the event an enrolled traveler must cancel from the tour, EF offers a carefully designed Standard Cancellation Policy. This policy takes into consideration the significant costs EF incurs long before a tour departs and is graduated to account for the increase in company costs as the date of departure approaches. *See* Booking Conditions at pp. 18. EF prominently and clearly displays its refund policy for its travelers in the Booking Conditions. *Id.* This policy communicates to travelers that if they decide to cancel more than 45 days prior to departure, EF is able to provide a full refund less the \$95 deposit, non-refundable fees, and a cancellation fee of between \$300 and 50% of the program fee. If, however, a traveler cancels 44 days or less prior to departure, EF is not able to provide a refund. *See id.*

EF offers a tour group additional flexibility beyond this Standard Cancellation Policy through EF's industry leading Peace of Mind Program. *See* Booking Conditions at pp. 18. EF's Peace of Mind Program is designed to help student groups obtain their educational travel experience despite the occurrence of some unforeseen circumstance or event. Under this program, a tour group's Group Leader may, subject to certain terms and conditions, (a) change the travel dates of the group's tour; or (b) work with EF to modify the group's current tour or find a new tour; or (c) cancel the tour and have all travelers receive a transferable travel voucher, for any reason 45 days or more prior to departure. If less than 45 days prior to departure, a Group Leader may elect any of these options if the U.S. State Department has issued a Travel Advisory Level 3 or 4 for any location on the group's itinerary. *See id.*

EF also understands that certain travelers want the option to obtain more protection for their investment in an EF tour by purchasing insurance and other trip protection benefits related to international travel. As a result, EF has worked with a licensed insurance provider (Specialty Insurance Solutions) to design a package of travel insurance benefits underwritten by U.S. Fire Insurance Company called the Global Travel Protection plan that is available to EF travelers. EF provides travelers information on what benefits are available through the Booking Conditions. *See* Booking Conditions at pp. 15. As with any kind of insurance or travel protection policy, the benefits offered by the Global Travel Protection plan require a claim to meet certain specified terms and conditions and may vary depending on the consumer's state of residence. EF's Booking Conditions direct travelers interested in purchasing the Global Travel Protection plan to obtain additional information from Specialty Insurance Solution's website (<https://www.sis-inc.biz/tours/efeducationaltours/>), which provides both a summary document and the full policy for interested travelers to review. Although EF assists a traveler in obtaining this plan if they choose, the traveler purchases the plan from the licensed provider, and EF has no role in the claims process for a claim submitted under the plan. As a result, EF makes it clear to a traveler considering a purchase of these benefits that "[t]he Global Travel Protection plan becomes non-refundable" after either the traveler departs, the traveler makes a claim, or 10 days after receipt.

As you are aware, the outbreak of the novel coronavirus is an unprecedented event that is constantly changing and affecting everyone around the world. This is a particularly complex and challenging situation for the travel and educational travel industries, especially for educational group travel programs. This is because EF books large volumes of space with suppliers like airlines and hotels months if not years in advance. This helps ensure we are able to offer travelers the highest quality services at the lowest price. It also means, however, that this particular world event presents a unique and significant challenge due to the speed, scope, and ever-changing nature of the outbreak.

EF has responded to this world event by engaging and working with all of its affected travel groups to prioritize the health, safety, and welfare of its customers, while also working cooperatively and creatively with our groups to modify, re-book, and delay their tours as necessary and at great expense to EF. This has included working with groups eligible for EF's Peace of Mind program and expanding these flexible options to all group departing before May 1 regardless of destination. EF is also offering those affected travelers a cash refund option and frozen cancellation fees to provide individual travelers more flexibility and choice. As a result, EF is offering affected groups the following options:

- *Reschedule and Amend the Tour:* Even though the scheduled tour departure date for most affected groups was only weeks away, EF has offered all of the affected tour groups the opportunity to travel on the same or an amended tour itinerary either later this year or to postpone the tour entirely until 2021 without charging any re-booking or other fees;
- *Future Travel Voucher:* EF has offered the entire affected tour group the ability to receive flexible, transferable Future Travel Vouchers, and has made exceptions to its standard policies to increase the options and value of these vouchers for travelers under these unprecedented circumstances:
  - Under EF's Booking Conditions, the Group Leader would need to make a group decision for all travelers either to receive Future Travel Vouchers or to re-book the tour. EF is making an exception to this policy for these affected groups to allow any individual traveler who may not want to or be able to travel on a new program or date chosen by their Group Leader the ability to receive a Future Travel Voucher.
  - Under EF's Booking Conditions, the Future Travel Voucher is normally issued in the amount of all monies paid, less the \$95 non-refundable deposit and any non-refundable fees (such as late charges or the Global Travel Protection Plan). In light of these circumstances, EF has made an exception to this policy to increase the value of the voucher by issuing them in the amount of all monies paid (i.e., no reduction for the deposit or other fees that are generally non-refundable).
  - Under EF's Booking Conditions, the Future Travel Voucher is normally redeemable during the current or following travel year. EF has made an exception to this policy to allow the voucher to be used through the 2022 travel season to provide more flexibility.
  - EF has informed all affected groups that the Future Travel Voucher is redeemable not just on a future EF Educational Tour, but also redeemable on one of EF's many other travel and language learning programs, including its new ET Educational Tour programs specifically designed for graduating seniors in high school; domestic U.S. student educational travel programs (EF Explore America), its semester or year-long educational gap year program (EF Gap Year), its international educational travel programs with a college professor (EF College Study), its international travel programs designed for young adults (EF Ultimate Break), its international travel programs designed for adult travelers (EF Go Ahead

Tours), and its many international language learning programs (EF Language Schools).

- If an affected traveler elects to receive a Future Travel Voucher but cannot or does not wish to use it for a future travel or language learning program, EF makes the vouchers fully transferable to a family member or to students or faculty in the traveler's school district. With EF's change in policy to issue the voucher in the full amount of all monies paid, this provides a family a mechanism to recoup its full investment in the tour in cash.
- *Cash Refund Options:* EF understands that some travelers would prefer to receive cash refunds given their individual circumstances. As a result, EF is offering affected travelers a cash refund in the amount of all monies paid less \$1000. Travelers have until September 30, 2022 to redeem the voucher for this cash refund, thus allowing travelers to explore the travel or transfer options and then redeem for this cash option at a later date.
  - In addition, EF had frozen all applicable cancellation fees as of February 24<sup>th</sup> and is honoring that through April 30<sup>th</sup> to allow travelers time to consider their many options. In the unlikely event that a traveler would receive more than the Cash Refund Option under EF's Standard Cancellation Policy, the traveler can choose the latter option.
- *Amended Standard Cancellation Policy.* Due to the unprecedented nature and speed of the outbreak of the novel coronavirus, EF offered to freeze any applicable cancellation fees effective February 24, 2020 through April 30, 2020, to allow Group Leaders and families of affected travelers the ability to discuss the current situation and evaluate the many options EF was making available. This means that an individual traveler would be in no worse position under EF's Standard Cancellation Policy for having taken the time to work with their Group Leader and EF to see if any of the offered options worked for them.

It is important to note that EF is providing these flexible and customizable options to its travel groups despite the fact that it is not possible in most cases for EF to recoup significant portions of its sizeable costs already invested in suppliers such as airlines, hotels, and coach companies and the fact that EF will need to expend further funds to re-book such suppliers for revised tour dates and/or itineraries. EF is not charging its groups any re-booking fees at this time despite these additional costs to the company.

Here, the Grabovsky family's child was scheduled to depart on March 9, 2020, on a tour to Germany, Italy and Switzerland. As you are aware, the U.S. Department of State issued on February 29, 2020, a Level 3 Travel Advisory (Reconsider Travel) that includes a Level 4 Travel Advisory (Do Not Travel) to certain areas in Northern Italy. Since that date, President Trump has suspended all travel to Europe. In response to these developments, EF is offering the options set forth above.

It is always EF's strong desire and preference that a student and their family who have anticipated and saved for an educational tour experience be able to travel as planned. The recent events related to the worldwide outbreak of COVID-19 are, however, truly unprecedented events that are having a significant effect on the travel and educational travel industries. In response, EF has moved promptly to work

cooperatively and creatively with its Group Leaders and travelers to find mutually agreeable solutions in light of these challenging times. The scope of this outbreak is changing rapidly and EF is constantly reviewing and updating our policies to stay up to date. This complaint was filed before all of options were communicated and EF truly hopes that travelers like the Aikins family can, upon reflection, understand the scope of these challenges for EF and work with the company to find a solution that works for their family.

If you have any questions or would like to discuss this matter further, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink, reading "Ayla E. Geller".

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Legal Counsel

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